

Tax relief



The amount of income tax you pay does not just depend on your income. To calculate how much income tax you have to pay, your family situation is also taken into account. To avoid a situation in which this is done only at the end of the year but rather to take it into account for the month in progress, all taxpayers are divided into different income tax brackets:

Tax bracket 1: If you are single and not eligible for tax relief as a single parent, you will come under tax bracket 1. The same applies for permanently separated spouses or civil partners, and divorced people.

Tax bracket 2: This tax bracket applies to single parents who live alone and are entitled to tax relief for single parents.

Tax bracket 3: Employees who are married or in a civil partnership can choose this tax bracket if one of the couple does not work or earns considerably less than the other. The other spouse or partner then comes under tax bracket 5.

Tax bracket 4: If the two spouses or partners earn about the same amount, this tax bracket is better for them.

Tax bracket 4 with factor: Couples who are married or in a civil partnership can apply annually for a factor to be applied. This takes into account the amount of income tax that is payable jointly under the income splitting system. In that case, the amount of income tax which is deducted every month corresponds more or less to the probable annual amount of tax due by the couple.

Tax bracket 5: Jobholders who are married or in civil partnerships come under this tax bracket if their spouse or partner comes under tax bracket 3.

Tax bracket 6: This applies to all those who have a second job or more.

Information on the web

Federal Ministry of Finance

Information on income tax

Wage Income Tax Calculator

Elster

The electronic income tax declaration form

European Commission

The European Commission's official currency converter

<https://www.make-it-in-germany.com/en/jobs/taxes/tax-relief>

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